

## PCS Season Matters

### Overview

With PCS season fast approaching there are several matters with legal consequences to consider. Are you going to lease a house/apartment at your next duty station? What about buying/selling a house? Can you deduct moving expenses from your income taxes? What about changing your driver license or car registration? Is my spouse eligible for unemployment compensation if she leaves her job because of my military reassignment? Here are several items to consider.

**1. Military termination clause for leases:** Before you sign a lease at your next duty station, check your lease for a military "termination" clause suitable for your military community in case you need to end the lease before the full term. Among other things to review:

- Does it anticipate TCS situations?
  - Does it incorporate any state law provision?
  - How do military community members find out about it? Is it part of your installation's Welcome packet?
- Check with the local housing or legal assistance office. Check our [Lease](#) information.

**2. If you are buying a home, these sites might have useful information:**

- <http://kiplinger.com/tools/housing.html>, for those wondering how much you may/can/should spend on a house. Kiplinger offers help - before you can know how big a mortgage payment you can afford, you need to tally up your other monthly expenses. The first part of this calculator will help you do just that. Part two will help you estimate future costs, or savings, associated with the home you are considering.
- <http://www.ricedelman.com/planning/home/> offers a quiz on whether you are ready to buy.
- Try an online calculator to estimate how much you can afford. The website of HSH Associates, the largest publisher of consumer loan information, also has two good calculators: Qualify for a Loan Based on Your Income, <http://www.hsh.com/calc-incomeequal.html>, will tell you how much a lender might let you borrow. (Use it as a benchmark, because property tax and home insurance vary from loan to loan and state to state.) You can also try its [How Much House Can You Afford](#) calculator.
- See [MONEY.com](#)'s <http://www.money.com/money/101/lessons/7/intro.html>.

**3. Tax planning & moving expenses:** You *may* deduct the reasonable unreimbursed expenses incurred for: a. Moving household goods and personal effects, including expenses for hauling a trailer, packing, crating, in-transit storage, and insurance.  
b. Travel and lodging expenses from the old home to the new home, including automobile expenses (either actual expenses or 10 cents per mile) and air fare.

No deductions are available for any expenses for meals, the cost of unnecessary side trips, or lavish and extravagant lodging. Only unreimbursed expenses incurred in actually moving from the former home to the new assignment are deductible. The expense of pre-move house-hunting trips are not deductible, nor is there a deduction for any expenses for moving services provided by the government, or that were reimbursed and not included in income. For more information see IRS Publication 3 – The Armed Forces Tax Guide @ <http://ftp.fedworld.gov/pub/irs-pdf/p3.pdf>.

4. [ftp://pubs.army.mil/pub/epubs/pdf/p55\\_2.pdf](ftp://pubs.army.mil/pub/epubs/pdf/p55_2.pdf), MTMC site with *Its Your Move*, informative pamphlet online.

5. Tax changes that became effective in May 1997 may mean you no longer have to report or pay taxes on the sale of your home.

6 . **Driver Licensing/Vehicle Registration:** see FirstGov [State Motor Vehicle Offices](#) page for state-specific information on auto and driver licensing. DMV websites for all fifty states: <http://www.driversmanuals.com/>

7. **Spouse unemployment benefits?** Check [\*Unemployment Compensation: A State-by-State Guide to the Laws as they Affect Military Spouses' Eligibility for Benefits Upon PCS-Related Job Loss\*](#) from Military Spouses' Career Network (<http://mscn.org/>).

8. **Auto leasing** - more and more people are leasing cars. There are several Internet resources that help decide if this is a good idea. Before you lease, read [Keys to Vehicle Leasing](#) from the [Federal Reserve](#). Military personnel who lease a car should consider whether they will deploy or TCS during the lease period and plan for that contingency. Check your lease terms to see what happens.

9. DefenseLink moving info site: <http://www.defenselink.mil/specials/itsyourmove/>.